

**COMBINING STATEMENT OF CHANGES IN FIDUCIARY NET ASSETS**  
**PENSION (AND OTHER EMPLOYEE BENEFIT) TRUST FUNDS**  
FISCAL YEAR ENDED SEPTEMBER 30, 2002  
(In Thousands)

	STATE EMPLOYEES' DEFERRED COMPENSATION FUNDS	LEGISLATIVE RETIREMENT FUND	STATE POLICE RETIREMENT FUND
<b>ADDITIONS</b>			
Contributions:			
From participants	\$ 179,961	\$ 358	\$ 1,493
From employers	3	3,116	47,727
From other plans	3,047	-	-
Investment Income:			
Net appreciation (depreciation) in fair value of investments	(260,392)	(16,294)	(129,605)
Interest, dividends, and other	113,282	4,383	23,332
Securities lending income	-	-	1,043
Less Investment Expense:			
Investment activity expense	-	411	1,951
Securities lending expense	-	-	836
Net investment income (loss)	<u>(147,110)</u>	<u>(12,322)</u>	<u>(108,017)</u>
Miscellaneous income	<u>716</u>	<u>1,095</u>	<u>-</u>
Total Additions	<u>36,617</u>	<u>(7,753)</u>	<u>(58,797)</u>
<b>DEDUCTIONS</b>			
Benefits paid to participants or beneficiaries	369,103	6,827	64,418
Medical, dental, and life insurance for retirants	-	3,116	26,030
Refunds and transfers to other systems	69	-	-
Administrative expense	6,460	266	353
Transfers to other funds	<u>-</u>	<u>-</u>	<u>-</u>
Total Deductions	<u>375,632</u>	<u>10,209</u>	<u>90,801</u>
Net increase (decrease)	(339,015)	(17,962)	(149,598)
Net assets held in trust for pension, postemployment health-care, and other employee benefits - Beginning of fiscal year	<u>3,088,761</u>	<u>158,393</u>	<u>1,035,929</u>
Net assets held in trust for pension, postemployment health-care, and other employee benefits - End of fiscal year	<u>\$ 2,749,746</u>	<u>\$ 140,431</u>	<u>\$ 886,331</u>
Reconciliation of Net Increase in Assets:			
Net increase (decrease) in assets held in trust for pension benefits	\$ -	\$ (18,914)	\$ (150,219)
Net increase (decrease) in assets held in trust for postemployment benefits	-	952	621
Net increase (decrease) in assets held in trust for other employee benefits	<u>(339,015)</u>	<u>-</u>	<u>-</u>
Total net increase (decrease)	<u>\$ (339,015)</u>	<u>\$ (17,962)</u>	<u>\$ (149,598)</u>

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FISCAL YEAR ENDED SEPTEMBER 30, 2002  
(In Thousands)

	STATE EMPLOYEES' RETIREMENT FUND	PUBLIC SCHOOL EMPLOYEES' RETIREMENT FUND	JUDGES' RETIREMENT FUND	STATE EMPLOYEES' DEFINED CONTRIBUTION RETIREMENT FUND	TOTALS SEPTEMBER 30, 2002
<b>ADDITIONS</b>					
Contributions:					
From participants	\$ 179,559	\$ 456,381	\$ 3,220	\$ 17,499	\$ 838,473
From employers	345,217	1,208,577	-	43,549	1,648,189
From other plans	-	-	-	-	3,047
Investment Income:					
Net appreciation (depreciation) in fair value of investments	(1,203,600)	(4,437,288)	(32,507)	(32,657)	(6,112,343)
Interest, dividends, and other	215,800	777,908	6,715	7,078	1,148,498
Securities lending income	9,532	34,609	229	-	45,413
Less Investment Expense:					
Investment activity expense	17,984	64,022	251	-	84,620
Securities lending expense	7,638	27,733	184	-	36,390
Net investment income (loss)	(1,003,891)	(3,716,526)	(25,998)	(25,579)	(5,039,443)
Miscellaneous income	-	128	100	59	2,097
Total Additions	(479,114)	(2,051,440)	(22,678)	35,528	(2,547,637)
<b>DEDUCTIONS</b>					
Benefits paid to participants or beneficiaries	503,454	2,041,440	15,810	13,119	3,014,171
Medical, dental, and life insurance for retirants	278,998	513,172	520	-	821,835
Refunds and transfers to other systems	18	20,881	53	1	21,022
Administrative expense	6,418	68,383	405	1,123	83,408
Transfers to other funds	15	81	-	-	97
Total Deductions	788,903	2,643,957	16,787	14,243	3,940,533
Net increase (decrease)	(1,268,018)	(4,695,397)	(39,465)	21,285	(6,488,170)
Net assets held in trust for pension, postemployment health-care and other employee benefits - Beginning of fiscal year	9,639,544	35,023,228	274,226	313,943	49,534,024
Net assets held in trust for pension, postemployment health-care and other employee benefits - End of fiscal year	\$ 8,371,526	\$ 30,327,831	\$ 234,760	\$ 335,228	\$ 43,045,854
Reconciliation of Net Increase in Assets:					
Net increase (decrease) in assets held in trust for pension benefit:	\$ (1,342,405)	\$ (4,802,193)	\$ (39,409)	\$ 21,285	\$ (6,331,854)
Net increase (decrease) in assets held in trust for postemployment benefit:	74,387	106,796	(57)	-	182,699
Net increase (decrease) in assets held in trust for other employee benefit:	-	-	-	-	(339,015)
Total net increase (decrease)	\$ (1,268,018)	\$ (4,695,397)	\$ (39,465)	\$ 21,285	\$ (6,488,170)